



Weekly Hot News Update

September 10, 2008

Volume 4, Number 31

On the Hill

Here's what we're tracking this week for EUCOM.

Bills of Interest:

HR 1585 - National Defense Authorization Act for FY 2008

- This bill would establish and fund counter-narcotics efforts in Afghanistan.
- Pocket vetoed by the President on December 31, 2007.
- Agreed to by a voice vote in the House on January 15.

HR 2003 - Ethiopia Democracy and Accountability Act of 2007

- This bill would encourage and facilitate consolidation of security, human rights, democracy, and economic freedom in Ethiopia. This would include counter terrorism and counter narcotics efforts.
- This bill was introduced in the House and referred to the Committee on Foreign Affairs.
- This bill was received in the Senate and referred to the Committee on Foreign Relations, after passage in the House on October 3.

HR 2228 - Ethiopia Freedom, Democracy and Human Rights Bill

- Closely related to HR 2003 this bill would also encourage the development of Ethiopia while also implementing counter terrorism and counter narcotics efforts.
- This bill was introduced in the House and referred to the Committee on Foreign Affairs.

HR 2446 - Afghanistan Freedom and Security Support Act of 2007

- This bill provides funding for programs to stabilize Afghanistan and counter the drug trade.
- This bill passed the House and was sent to the Senate, which referred it to the Committee on Foreign Relations. Star Print ordered July 17, 2007.

HR 2764 - Consolidated Appropriations Act of 2008

- This bill includes appropriations for "international narcotics control and law enforcement."
- Became public law on December 26, 2007. Public Law No. 110-161.

Hearings of Interest:

There are no hearings of interest scheduled this week.

Whispers from Congress:

For the first time in over a month, with the exception of a few faces, Congress is back in full session...but not for long. Lawmakers will gather together for approximately one month or so to tackle a few must-do items before leaving town again to campaign, endorse and generally participate in the remainder of the election season. All 435 House members and 1/3 of the Senate will be up for election; given the highly contentious nature of this political season, expect more areas than ever to become electoral battle-grounds. On the business-side, a number of big-ticket items will be addressed by Hill-members in September. First and foremost on the agenda will be the FY09 Defense Authorization bill, which should pass. While the Defense Appropriations bill may pass, the chances of it doing so are less. The Defense Appropriations bill could possibly serve as the vehicle for Congress to pass a Continuing Resolution, which would keep the government running at current FY08 funding levels. Policy hearings, budgetary hearings and energy debate will also constitute a great portion of

congressional time and energy throughout the rest of the month. TCG will keep its eyes and ears on the Hill for any new information.

Inside the Administration

The Bush administration made a number of high-level diplomatic visits in the last week including Vice President Cheney's visit to the Ukraine and a multi-nation tour of North Africa taking by Secretary of State Condoleezza Rice. Needless to say, the vital strategic importance of several countries was brought to light with these visits; several countries in the North African Maghreb currently face a direct, often combined threat posed by Islamic extremists and the Ukraine, which seeks to join NATO, has dealt with ominous intentions from an increasing boisterous Russia. Secretary Rice's tour seemed to have more of a goodwill/farewell tour feel than a mission of extreme diplomatic urgency. The trip, her first to the region, included the first U.S. visit with Libya since the 1950s and several other stops including Tunisia, Algeria and Morocco. Terrorism issues, energy security and democratic reform all made the list of discussion topics between Secretary Rice and her diplomatic counterparts. The relationship between energy and security are especially strong in Algeria, which has considerable oil and gas reserves but has born the brunt of attacks by Al-Qaeda in the Islamic Maghreb (AQIM). AQIM, which grew out of an Algeria based terror group intent on overthrowing the Algerian government, is reportedly responsible for bombing attacks two weeks ago that killed at least 50 people. The group is also reported to finance many of its operations with criminally derived income, including the narcotics trade, which continues to pour from West Africa, through the Maghreb and into Europe. Sources indicate that an al-Qaida-related Web site posted a message this past week calling on militants to kill Secretary Rice during her North Africa visit. Overtures to expand economic, trade and energy ties between the U.S. and several of these countries can be expected to increase in due time. Algeria has proven oil reserves of 14.68 billion barrels and proven natural gas reserves of 4.359 trillion cubic meters. Morocco and Tunisia have less oil and gas reserves but Libya, with 45 billion barrels of proven oil reserves and 1.43 trillion cubic meters of proven natural gas, is a North African energy giant.

As part of an effort to reassure former Soviet-bloc countries of American support following the Russian-Georgian conflict, Vice President Cheney visited the Ukraine and several other Eastern European nations last week. The Vice President met with Ukraine's President Viktor Yushchenko, who like the U.S., has been an outspoken critic of Russia's invasion Georgia. Unfortunately, Ukraine is also under the immediate thumb of Russia both in geographic proximity and energy dependence. Vice President Cheney praised the Ukraine for the democratic and economic progress it has made since the collapse of the Soviet Union and both leaders made clear their mutual understanding and agreement regarding the Georgian issue. Ukraine's Black Sea port and the multiple gas pipelines that connect Russia to energy consumers in greater Europe are both items of grave importance regarding the relationship between Russia and Ukraine.

Washington Influences

In its Terrorism Monitor publication, The Jamestown Foundation has just released an interesting and important analysis of the constantly evolving operational methods of international terrorism. Here, the focus is on Al-Qaeda's growing interest in attacking the oil industry and disrupting energy markets. This is a highly important trend to take note of considering both the proliferation of terror activity and energy opportunities in Africa and the Caucasus. While the idea of terrorists attacking energy infrastructure is nothing new, the resultant disruptions caused by singular attacks can have great effects globally. Given that Africa and parts of Central Asia and Eastern Europe are increasingly coming on-line as sources and transit zones for energy, the fact that various terrorist groups haven't targeted these industries in greater amounts already is actually surprising. Interestingly, according to the report, al-Qaeda had actually imposed restrictions on attacking oil targets until late 2004. That being said, one needs to look no farther than the Niger Delta to see how a small-scale attack

on a pipeline, pump-station or offshore rig can stimulate fear and panic in the global economy, especially in times when energy is an issue of utmost concern. The article focuses on recent attacks by Al-Qaeda affiliated groups attacking oil infrastructure in Yemen but the lessons and situations could easily be applied elsewhere, particularly in energy-rich regions of Africa (like the Niger Delta, offshore coasts of West Africa and the Maghreb) but also in the Caucasus, which has a rapidly growing energy sector but also an under-reported, oft-forgotten presence of Islamic fundamentalists. Some analysts have gone so far as to call Chechnya the next Afghanistan in terms of its extremist presence and “black-hole” social and economic conditions. In the end terrorist groups and local/regional insurgencies like MEND (Movement for the Emancipation of the Niger Delta), will target energy infrastructure for both tactical and strategic gains. Tactically speaking, oil-based hard targets, often with civilian operators, are highly exposed and vulnerable to insurgent attacks; strategically, attacks are used to undermine economies and instigate fear in the global market. Additionally, connections between these groups and other criminal and destabilizing factors should not be discounted. For example, other criminal trades, like drug and weapons trafficking will undoubtedly be used to support or supplement the activities and operations of those attacking the energy industry. Furthermore, any resource-based industry in volatile regions could fall under attack from underground forces. Unfortunately, if one were to look at a map of Africa or the Black Sea regions, a disturbing amount of multiple-threat overlap can be observed. In other words, several countries within these regions not only have great stores of oil, gas and mineral wealth but also contend with heavy levels of transnational criminality, narcotics trafficking (a predominant criminal economic driver and funding source), political instability, terrorism, maritime piracy, corruption and economic upheaval. Expect TCG to investigate and report on these overlapping conditions further in the coming months.

To view the entire article, please access the following link.

<http://www.jamestown.org/terrorism/news/article.php?articleid=2374393>

Around the Corner

The Russia/Georgia situation continues to develop and based on some of the early aftershocks, diplomatic tension between Russia and NATO countries will not only continue to mount but prior bilateral engagements in a variety of sectors could be in jeopardy. Already, the administration has threatened pulling out of a civilian nuclear cooperation agreement with Russia. Unfortunately, many analysts have concluded that while bold on the surface, pulling out of the agreement may hurt the U.S. more than it does Russia simply because the agreement would bolster nuclear material and WMD oversight, an item on the top of the administration's agenda. Furthermore, other bilateral assistance, agreements and relations could be at risk. International cooperation regarding counter-terrorism, counter-organized crime and counter-narcotics could also be put on the chopping block if diplomatic relations continue to falter. This is especially important considering that southern Russia, Southwest-Central Asia and Eastern Europe are all some of the most fluid corridors for the proliferation of trans-border crime, terror migration, arms-trafficking and the narcotics trade. In fact, international cooperation between the U.S. and Russia is critical to helping curb these trends. Reports of Russian organized crime supplying the Taliban with weapons in exchange for heroin have widely been reported and multiple cities in southern Russia are major transit hubs for the Asian-European heroin trade. While no official policies have been executed yet, if the diplomatic stress level between Russia and the West expands, the U.S. and Russia may be more reluctant to assist each other in these fields. TCG will keep on top of the situation as it evolves.

Selected News for EUCOM

- [Official: Egyptian Ship Hijacked Near Somalia](#)
- [W. Africa to Have Joint Drug Squad-NDLEA Boss](#)
- [\\$5 Million Cocaine Baron Arrested in Spain](#)

- [Guinea Probes Suspected Drugs Flights in Mine Zone](#)
- [Gardai and PSNI Seize 4 million Euro Drugs and Guns Haul](#)
- [Turkey's Narcotics Trade Run by Iranians and Georgians](#)
- [China Elephant Kicks Heroin Addiction](#)

The Lighter Side

[Quote of the Week](#)

"Being powerful is like being a lady. If you have to tell people you are, you aren't."
- Margaret Thatcher

"A piece of spaghetti or a military unit can only be led from the front end."
- George S. Patton

[Prediction of the Week](#)

The bounce in poll numbers that Senator McCain received after the Republican National Convention will eventually subside; look for Senator Obama to regain some ground and for both candidates to be polling even with one another until the Presidential debates begin later this month.

Contact Us

<http://www.charlesgroupdc.com>
info@charlesgroupdc.com